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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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IN THE MATTER OF THE COMMISSION'S
INQUIRY INTO AMENDMENT OF THE
COMMISSION'S RULES RELATED TO
PUBLIC SERVICE CORPORATIONS'
RELEASE OF CUSTOEMR INFORMATION
INCLUDING AMENDMENT OF THE RULES
TO SPECIFICALLY ADDRESS PRIVACY
AND CONDIENTIALITY CONCERNS
RELATED TO SMART METERS.

Docket No. RU-00000A-14-0014

ORIGINAL

RUCO'S INFORMAL COMMENTS

The Residential Utility Consumer Office ("RUCO") files the following "informal" comments in response to Staff's memorandum.

In short, RUCO agrees with many of the rules listed by Staff. However, RUCO believes there should be more clarity around how a utility can use a customer's information for internal purposes.

As a threshold matter, RUCO believes that Companies need certain information on each customer at a bare minimum in order to provide service to the customer. This basic and necessary information needs to be defined, and should not be the subject of an opt-in, opt-out discussion. A customer who is unwilling to provide the minimum information that is necessary

1 for a business to provide the service is not being reasonable and no Company should be
2 forced into attempting to provide a service which it cannot provide.

3 On the flip side of that coin, if the Company is acting for any purpose other than to serve
4 a customer, that customer should not have to opt-out. The Company should not have the
5 ability to use and or disclose any private customer information for any purpose beyond the
6 provision of service without the customer's consent (opt-in) – period.

7 RUCO suggests that for relevant internal operations such as marketing, billing, and
8 operations, the Company should be able to utilize private customer information. As a general
9 rule, RUCO does not support unauthorized disclosure of customer information to outside
10 parties not involved in the provision of utility service to the customer. However, one might
11 interpret some clauses in section 14-2-2203 and 14-2-2210 as hindering the ability of a utility
12 company to use customer data for legitimate business purposes.

13 In general, RUCO thinks it is appropriate for utilities to be able to provide customers with
14 tailored information and beneficial new offerings. In section 14-2-2213 in particular, RUCO
15 would suggest that it be broadened to include programs, not just special tariffs. One can
16 envision new programs that do not require a special tariff but offer a product or service the
17 customer may want to sign up for in exchange for their granular usage information.

18 More specifically, RUCO has the following concerns:

- 19 1) 14-2-2203(B)(1) – the terms “directly” and “indirectly” – RUCO is concerned that these
20 terms may be interpreted in such a way to defeat the intent of the Rule. RUCO
21 recommends that the terms directly and indirectly be deleted so there is no question.

1 2) 14-2-2206 (D) – a “catch-all” provision should be inserted that assures that if there is
2 anything less than complete certainty that the customer opts-in, the Company shall not
3 treat it as opt-in approval.

4
5 3) 14-2-2206 (4) – a provision should be added which defines what amounts to revocation,
6 modification or limitations. At the very least, it should be a signed form of some sort
7 directed to the utility and the manner of rescission should be explained at the outset
8 when the customer “opts-in”.

9
10 4) 14-2-2209 (A)(1) – protecting a utility’s rights needs further explanation – it should be
11 defined – could be interpreted very broadly which could include just about everything
12 which would defeat the whole point of the Rule. Same for (A)(2)

13
14 That said, RUCO is interested to hear the perspectives of other parties. Particularly
15 around anticipated costs of implementation, ways to alleviate those additional costs, and
16 whether or not the proposed rules impact day-to-day operations. Also, any unforeseen impacts
17 stemming from these rules.

18 In sum, RUCO largely agrees with Staff on the rules laid out around disclosure of private
19 information; however, some clarity is need on the parameters of internal use of this data. As
20 stated, RUCO sees no issue with allowing utilities to use customer information to conduct its
21 day-to-day business.

1 RESPECTFULLY SUBMITTED this 7th day of July, 2014.

2
3 
4 Daniel Pozefsky
5 Chief Counsel

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7 AN ORIGINAL AND THIRTEEN COPIES
8 of the foregoing filed this 7th day
9 of July, 2014 with:

10 Docket Control
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14 COPIES of the foregoing hand delivered
15 this 7th day of July, 2014 to:

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Copies of the foregoing mailed this
7th day of July, 2014 to All Parties of
Record.

By 